

**Introduced by Senator Anderson**

February 22, 2013

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An act relating to disaster relief.

LEGISLATIVE COUNSEL'S DIGEST

SB 560, as introduced, Anderson. Disaster relief.

The California Emergency Services Act specifies those events, including conditions of disaster or of extreme peril to the safety of persons and property within the state caused by such conditions as fire, flood, storm, or earthquake, constituting a state emergency for purposes of the act and provides for specified activities in preparation or response to those events.

This bill would state the Legislature's intent to enact legislation that would facilitate rapid response and aid by out-of-state businesses to state declared disasters by providing that an out-of-state business that conducts operations within the state for purposes of performing work or services related to a declared state disaster or emergency should not be considered to have established a level of presence that would require that business or its out-of-state employees to be subject to any state and local licensing or registration requirements or to register, file, and remit state or local taxes and fees, such as state corporation taxes or personal income taxes, unemployment insurance, sales and use taxes on equipment used for performing the work or service, or state or local occupational licensing fees.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. The Legislature finds and declares all of the  
2 following:

3     (a) During times of storm, flood, fire, earthquake, hurricane, or  
4 other disaster or emergency, many companies bring in resources  
5 and personnel from other states throughout the United States on a  
6 temporary basis to expedite the often enormous and overwhelming  
7 task of cleaning up, restoring and repairing damaged buildings,  
8 equipment, and property, or even deploying or building new  
9 replacement facilities in the state.

10    (b) This may involve the need for out-of-state companies,  
11 including out-of-state affiliates of companies based in the state to  
12 bring in resources, property or personnel that previously have had  
13 no connection to the state, to perform activity in the state including,  
14 but not limited to, repairing, renovating, installing, building,  
15 rendering services, or other business activities and for which  
16 personnel may be located in the state for extended periods of time  
17 to perform such activities.

18    (c) During such time of operating in the state on a temporary  
19 basis solely for purposes of helping the state recover from the  
20 disaster or emergency, these companies and individual employees  
21 should not be burdened by any requirements for business and  
22 employee taxes as a result of such activities in the state for a  
23 temporary period.

24    (d) The state's nexus and residency thresholds are intended for  
25 businesses and individuals in the state as part of the conduct of  
26 regular business operations or who intend to reside in the state and  
27 should not be directed at companies and individuals coming into  
28 the state on a temporary basis to provide help and assistance in  
29 response to a declared state disaster or emergency.

30    (e) To ensure that companies may focus on quick response to  
31 the needs of the state and its citizens during a declared state disaster  
32 or emergency it is appropriate for the Legislature to deem that such  
33 activity for a reasonable period of time during and after the disaster  
34 or emergency for repairing and restoration of the often devastating  
35 damage to property and infrastructure in the state shall not establish  
36 presence, residency, nor doing business in the state nor any other  
37 criteria for purposes of state and local taxes, licensing, and  
38 regulatory requirements.

1     SEC. 2. It is the intent of the Legislature to enact legislation  
2 that would facilitate rapid response and aid by out-of-state  
3 businesses to state declared disasters by providing that an  
4 out-of-state business that conducts operations within the state for  
5 purposes of performing work or services related to a declared state  
6 disaster or emergency should not be considered to have established  
7 a level of presence that would require that business or its  
8 out-of-state employees to be subject to any state and local licensing  
9 or registration requirements or to register, file, and remit state or  
10 local taxes and fees, such as state corporation taxes or personal  
11 income taxes, unemployment insurance, sales and use taxes on  
12 equipment used for performing the work or service, or state or  
13 local occupational licensing fees.

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